University Reduces Manual Efforts & Increases Visibility of IT Value

Overview

The IT department of a prestigious Ivy League university deployed Digital Fuel to significantly reduce the manual effort required to achieve insights into the costs of providing IT services to the university. It replaced manual efforts with a simplified, automated approach that delivers a clearer picture of how departments consume IT services, giving them a clearer understanding of the type, cost and quality of IT services they're consuming and the value that IT is providing.

Customer Profile

This prestigious educational institution serves more than 10,000 students and has an operating budget of more than $2.5 billion.

Customer Challenges

Like many businesses, the educational institution's IT department confronted difficult choices: budget decisions; the increasing demand for and complexity of end-point computing; and the need to digitize more aspects of their business processes. Even as it tried to address these challenges, the IT department struggled to control IT spend and craft justifications for new investments.

To tackle the problem, it used a combination of budgeting tools and spreadsheets. But given the highly distributed and diverse nature of the university's IT consumers (including students, faculty, employees, research organizations, and the various schools within the university), this approach resulted in a highly fragmented, inconsistent, and highly manual process. In the end, schools and departments had little insight into what or why they were paying for IT services each month. And despite the large amount of manual work expended to track costs, the IT department still could not measure the value of the services they were providing to help manage demand, nor did it have the transparency needed to optimize costs in a meaningful way.

The university's IT department needed a solution that would help it provide the most effective stewardship of the university's IT resources, while at the same time help them become a more adaptive, flexible, cost-effective and service-oriented IT organization.

Key Highlights

Industry
Education

Location
Northeastern United States

Key Challenges
- Understanding the true cost of IT services
- Determining where to invest in IT services
- Fixing an inconsistent and manually intensive process for analyzing costs

Solution
The university implemented the SaaS-based version of Digital Fuel, including the IT Financial Management capability, which provides better transparency into the cost of IT services.

Business Benefits
- Identification of variances between usage and costs to make budgeting more accurate
- Use of dashboards and reports for visibility into the total cost of ownership for all services, categorized by service consumption by school or department, unit costs, year-to-date versus budget and more
- Increased insight into the cost of providing IT services

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The Solution

The educational institution selected the SaaS-based version of Digital Fuel Business, including the IT Financial Management capability, which provides all-around transparency into the cost and quality of those services, through the automation of otherwise manual and complex processes. By achieving cost transparency, vRealize Business helps IT organizations demonstrate the value of IT, better communicate that value to the business, and better align IT spending with business goals.

Working with Digital Fuel, the university IT department established a phased approach to implementing the product that would meet three objectives: demonstrating the solution's viability and value quickly; creating a solid baseline from which the IT department could optimize and expand their use of Digital Fuel over time; and accommodating changing data sources (the university implemented a new CMDB concurrently with the Digital Fuel product implementation).

Initially, the IT department used Digital Fuel, along with its existing service catalog, to map the IT business services it provided to departments and their underlying cost drivers. With the mapping in place, the solution then collected financial cost data across a multitude of data sources, including the general ledger, technical services, assets, projects, human resources, and more.

This allowed the IT department to identify the overuse or underuse of each service. Then it implemented a second cost model based on their budget data, and combined them to monitor budget variances for help in the planning for future budget cycles. Today, the IT department can log into the web-based Digital Fuel platform and access a variety of their dashboards and reports to get visibility into the total cost of ownership for all services, service consumption by school or department, unit costs, year-to-date versus budget and more

Business Benefits

With Digital Fuel, the university has significantly reduced the manual effort required to achieve insights into the costs of providing IT services to the university. Manual efforts have been replaced with a simplified, automated approach that will drive a much better picture of how IT services are consumed. All departments now have increased insight into the cost of providing IT services, categorized by service consumption by school or department, unit costs, year-to- date versus budget and more.

With the deployment of dashboards and reports for visibility into the total cost of ownership for services, individual campus departments now have a better understanding of the type, cost and quality of IT services they're consuming. In conjunction with IT, they are better able to identify the variances between usage and costs; this will make it easier to adjust budgets based on actual usage.

Looking Ahead

As the university evolves its Digital Fuel solution, it will have more productive, fact-based discussions with the various campus departments about how best to maximize the value of the university's IT resources and assets. Together they will have a better sense of where to make investments, and how to more effectively budget, plan and forecast those investments.

"With IT Business Management Suite from Digital Fuel, we have significantly reduced the manual effort required to gather insights into the costs of providing IT services to the university. We have been able to replace manual efforts with a simplified, automated approach that will give us a much better picture of how IT services are consumed on campus."

— *IT Executive, Prestigious Ivy League University*

Learn More

To learn more about how Digital Fuel products can help your business manage the cost and value of IT, visit www.digitalfuel.com

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